

## **REMARKS**

Claims 8 and 11-29 have been canceled. Upon entry of the above claim amendments, Claims 1-7, 9-10, and 30-33 will be pending in the present application. Based on at least the reasons set forth below, applicants respectfully request allowance of the pending claims.

### **Section 101 Rejections**

In the Office Action, claims 11-29 were rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. Claims 11-29 have been canceled, rendering the rejections moot.

### **Section 103 Rejections**

Claims 1-3, 8-9, 11-13, 18, 20-23, 28 and 30 were rejected under 35 U.S.C. §103(a) as obvious in view of U.S. Pat. No. 5,742,775 to King and U.S. Pat. No. 6,321,212 to Lange. Claims 4, 14, and 24 were rejected as being obvious of King, Lange, and published U.S. patent application Pub. No. 2005/0119962 to Bowen. Claims 5, 15, 25, and 35 were rejected as being obvious of King, Lange, and further in view of Official Notice. Claims 6, 16, 26, and 32 were rejected as being obvious of King, Lange, and U.S. Patent 7,165,048 to Heppenstall.

Claims 11-29 have been canceled, as mentioned above. With respect to remaining claims, applicants traverse the rejections as follows.

Independent claim 1 has been amended to clarify that a “trust” purchases fixed income securities that are issued by a “private” issuer. Claim 1 has also been amended to clarify that the inflation-linked securities are “backed by the fixed income securities of the private issuer.” In addition, claim 1 has been amended to clarify that the practical application of the process is that

“investors can own inflation-linked securities backed by fixed income securities of the private issuer, without the private issuer having to issue the inflation-linked securities.”

Support for the claim amendments can be found throughout the specification. For example, support for a “trust” purchasing the fixed income securities can be found at ¶ [0010] and ¶ [0020] of the application. Support for the trust purchasing fixed income securities of a “private” issuer can be found, for example, at ¶ [0009] of the application. Support for the inflation-linked securities being backed by the fixed income securities of the private issuer can be found, for example, at paragraph [0010]. Support for the practical application that “the investors can own inflation-linked securities backed by fixed income securities of the private issuer, without the private issuer having to issue the inflation-linked securities” can be found, for example, at paragraph [0004].

Claim 1 was rejected as being obvious over King and Lange. King teaches that entities can buy fixed income securities and enter into inflation swap agreements. Lange discloses a government issuing inflation-linked securities. Based on an aggregation of these teachings, the Office asserted that claim 1 is obvious.

Applicants submit that amended claim 1 is not obvious because it would not have been apparent to a person having ordinary skill in the art at the time of the invention, having been familiar with the teachings of King and Lange as well as other general information known in the art, that the market for inflation-linked securities could be enhanced by creating inflation-linked securities backed by securities of a private issuer without the private issuer having to issue the inflation-linked securities and without the private issuer having to experience the unattractive accounting treatment associated with issuing inflation-linked securities. In fact, Lange teaches away from the invention because Lange discloses governments issuing inflation-linked bonds.

The other references cited in the Office Action, including Bowen and Heppenstall, are also irrelevant on this issue and, therefore, do not overcome the deficiencies of King and Lange.

For at least this reason, claim 1 and its dependent claims are not obvious. For analogous reasons, claim 30 and its dependent claims also are not obvious.

### **CONCLUSION**

Applicants respectfully submit that all of the claims presented in the present application are in condition for allowance. Applicants present response should not in any way be taken as acquiescence to any of the specific assertions, statements, etc., presented in the Office Action not explicitly addressed herein. Applicants reserve the right to address specifically all such assertions and statements in subsequent responses. Applicants also reserve the right to seek claims of a broader or different scope in a continuation application.

Applicants have made a diligent effort to properly respond to the Office Action and believe that the claims are in condition for allowance. If the Examiner has any remaining concerns, the Examiner is invited to contact the undersigned at the telephone number set forth below so that such concerns may be expeditiously addressed.

Respectfully submitted,

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